

**MINUTES OF THE
TRANSPORTATION, ENVIRONMENTAL QUALITY & NATIONAL GUARD
APPROPRIATIONS SUBCOMMITTEE
Room W010, West Office Building, State Capitol Complex
Monday, January 29, 2007**

MEMBERS PRESENT: Sen. Carlene Walker, Co-Chair
Rep. Wayne Harper, Co-Chair
Sen. Fred Fife
Rep. Glenn A. Donnelson
Rep. Kevin Garn
Rep. Neil Hansen
Rep. Neal B. Hendrickson
Rep. Todd E. Kiser
Rep. Becky Lockhart
Rep. Patrick Painter

MEMBERS ABSENT: Sen. Sheldon Killpack
Sen. John Valentine

STAFF PRESENT: Mark C. Bleazard, Fiscal Analyst
Rosemary Young, Committee Secretary

Note: A list of visitors and copy of handouts are filed with committee minutes.

Rep. Harper called the meeting to order at 2:14 p.m.

MOTION: Rep. Donnelson moved to approve the minutes of the January 24 and 25, 2007 meetings. The motion passed unanimously with Rep. Kiser and Rep. Lockhart absent for the vote.

Mark Bleazard, Fiscal Analyst, discussed the following list of bills as to their fiscal impact on this committee:

Transportation

SB	12	Stephenson	Funding State Highway Right of Way Authorizes issuance of general obligation bonds up to \$500 million.
SB	69	Killpack	Local Transportation Corridor Preservation Fund Establishes a priority list of highway corridor preservation projects.
HB	40	Harper	Fuel Tax Bonding Requirement Bond requirements to collect motor fuel taxes
HB	199	Allen	Speed Restrictions on Commercial Vehicles 65 mph limit - signage \$81,600 Sarah Wright, Utah Clean Energy, spoke in favor
HB	81	Bird	Highway Jurisdictional Transfer State highway increase in Weber County
HB	226	Dougall	Sales Tax Highways & Transit

- Transit district not required to impose sales tax
- HB 98 Frank County Option Sales Tax for Highways
Use county option sales tax on non state highways
Carlos Braceras, UDOT, reported this applies to other counties than Utah Co.
- HB 108 Bigelow Transportation Study East/West Corridor
\$1,500,000 for east-west corridor studies
- HB 266 Gibson Amendment to State Highway System
State highway increase in Weber County - \$24,500
Carlos Braceras, UDOT, explained that a local collector road is to become a state road.
- HB 314 Lockhart Amendment to Sales Tax for Transportation
Est. to be \$319,691,400 which is \$163,596,500 above the current allocation

A presently unnamed and unnumbered bill was discussed by Rep. Harper. Amendments to Transportation creates a Mountain View Corridor Fund for corridor preservation and changes the motor fuel sales tax rate to potentially generate more for transportation. Sen. Walker requested that the Analyst provide information to the committee as to the fiscal impact of these listed bills on local governments as well as on the state. Rep. Lockhart referred to a bill in the works which affects B & C roads and will have a fiscal note. Another bill Rep. Harper is sponsoring is the Uniform Sales Tax Rate which imposes the third quarter which was approved last year state wide and puts the revenue in the Transportation Improvement Fund.

The Analyst passed on a request from Rep. Melvin Brown for \$750,000 from the Transportation Fund for a bridge on a state road in Morgan City.

Rep. Menlove discussed a bill having to do with stickers for firefighters to place on their license plates. The cost of reprinting the stickers is \$14,500. Jay Westergard from the Garland fire department explained that 80% of firefighters are volunteers and the request is for new fire fighters. Sen. Walker questioned the amount of the fiscal note which seems high.

Environmental Quality

- HB 99 Painter Water Loan Program Amend
- HB 243 Barrus Energy Policy Amendments
- HB 122 McGee Clean Air & Efficient Vehicle Tax Credit
Rep. McGee passed out H.B. 122 1st Sub and discussed it with the committee.
Rick Sprott, Division of Air Quality, discussed hybrids versus natural gas vehicles and expressed the division's approval of this bill which is fuel and technology neutral and provides a level playing field.
The funds come from the Uniform School Fund as a deductible income tax credit.

Nation Guard

- HB 336 Sandstrom Utility Cost of Deployed Service Members

This is estimated to be \$3,666,000 for 1500 service members and is not dependent on need. Some local governments are also waiving fees.

HB 309 Hughes Tuition Waiver National Guard Survivors and Dependents
Estimated less than 10 qualifiers @ \$5,200/student/year

Wasatch Front Regional Council and Mountain Lands Association of Governments

Chuck Chappell, WFRC, and Andrew Jackson, MAOG, explained their request for \$70,000 each entity which is included in the Governor's budget. The appropriation would allow them to attract federal transportation funds at a match of 93% federal to 7% state. It allows them to continue to develop a long-range transportation plan for the state with UDOT and also an urban transportation plan to UDOT and UTA. They also provide the projects that end up in the state transportation program. This request will be placed on the priority list.

The Analyst discussed the committee actions to date from a handout sheet. Actions have been taken on the National Guard Budget, most of the DOT Budget, and only a part of the DEQ budget. There was a discussion as to how to balance the appropriations for DOT between one time and ongoing from the General Fund.

The Analyst reviewed the Maintenance Management Base Budget recommendations and the recommended increases. Some of the additional funds come from natural growth and would go into the Construction Fund if not appropriated to these increases. John Njord, Deputy Director of DOT, explained the request for funding for a rest area in Logan Canyon. Funds would be taken from another source if the legislature does not choose to fund it. Dir. Njord discussed bridges needing repair on I-80; all are on the "critical" list. At I-80 and 1300 East acceleration lanes need to be lengthened for safety and flow issues.

MOTION: Rep. Lockhart moved to approve the Maintenance Management Base Budget in the amount of \$118,035,700. The motion passed unanimously with Rep. Kiser absent for the vote.

MOTION: Rep. Lockhart moved to approve \$1.5 million ongoing to offset inflation, \$3.3 million ongoing for Traffic Signals & Systems, \$3.8 million ongoing for Petroleum Based Materials Increases, and \$75,000 ongoing for Rest Area maintenance Increase all to come from the Transportation Fund. The motion passed unanimously with Rep. Kiser absent for the vote.

MOTION: Rep. Hendrickson moved to approve the following intent language:

It is the intent of the Legislature that any and all collections or cash income from the sale or salvage of land and buildings are to be lapsed to the Transportation Fund.

There is appropriated to the Department of Transportation from the Transportation Fund, not otherwise appropriated, a sum sufficient, but not more than the surplus of the

Transportation Fund, to be used by the Department for the construction, rehabilitation, and preservation of State highways in Utah. It is the intent of the Legislature that the appropriation fund first, a maximum participation with the federal government for the construction of federally designated highways, as provided by law, and last the construction of State highways, as funding permits. It is also the intent of the Legislature that the FTE's for field crews may be adjusted to accommodate the increase or decrease in the Federal Construction Program. No portion of the money appropriated by this item shall be used either directly or indirectly to enhance or increase the appropriations otherwise made by this act to the Department of Transportation for other purposes.

The motion passed unanimously with Rep. Kiser absent for the vote.

MOTION: Rep. Lockhart moved to approve the Construction Management Base Budget in the amount of \$302,951,900. The motion passed unanimously with Rep. Kiser absent for the vote.

MOTION: Rep. Hendrickson moved to approve the following intent language:

There is appropriated to the Department of Transportation from the Transportation Fund, not otherwise appropriated, a sum sufficient, but not more than the surplus of the Transportation Fund, to be used by the Department for the construction, rehabilitation and preservation of State highways in Utah. It is the intent of the Legislature that the appropriation fund first, a maximum participation with the federal government for the construction of federally designated highways, as provided by law, and last, the construction of State highways, as funding permits.

It is the intent of the Legislature to clarify the intent of Line item 1 in HB 3001 of the 2006 3rd Special Session. It is further the intent of the Legislature that the portion used for corridor preservation be placed in the Transportation Corridor Preservation Revolving Loan Fund and the match portion for local governments be non-lapsing. It is also the intent of the Legislature that the match portion for local governments are intended to match funds expended on current and future state roads.

The motion passed unanimously with Rep. Kiser absent for the vote.

Dir. Njord responded that the counties have not chosen to match resources with UDOT for Right of Way Acquisition. Barbara Thomas, over local corridor preservation for Salt Lake County, responded that there has been some confusion and disagreement as to what the match money can be used for. All the application for abeyance are for local roads.

Mayor Russ Wall of Taylorsville explained that the counties thought the matching money could be used for regionally significant roads and that Mountain View Corridor had been otherwise provided for. Linda Hall, UDOT, answered questions as to what the intent of the statute was concerning the matching funds. It was decided this would be discussed next meeting.

Dir. Njord and Dep. Dir. Braceras responded to the chair's request as to how the department would come up with \$1 million one time money to help the DEQ fund additional monitors which would enable them to exempt areas from the EPA's new air quality requirements. DOT would find the money by reducing expenditures in discretionary areas that impact the public least. There is an urgent need for these monitors to exempt areas and to find and address problems. The approach the department would prefer would be to consider it a capital improvement in the construction line item. The large counties in many states in the West have this problem.

The Analyst reported that the Capital Facilities Committee has authorized \$2 million to build a facility in Panguitch.

Dir. Njord requested that the committee consider the Governor's suggestion for a modest salary increase for state employees. This would be important to the DOT in enabling them to do their work. Rep. Harper reported that the Legislative Auditor General brought back a stellar report on DOT.

MOTION: Rep. Painter moved to adjourn. The motion passed unanimously with Rep. Hansen and Rep. Hendrickson absent for the vote.

Rep. Harper adjourned the meeting at 3:57 p.m.

Rep. Wayne Harper, Co-Chair

Sen. Carlene Walker, Co-Chair